

AMENDED IN SENATE APRIL 19, 2006

SENATE BILL

No. 1674

Introduced by Senator Murray

(Coauthors: Assembly Members Chan, Koretz, and Lieber)

February 24, 2006

An act to amend ~~Section 49430.5~~ *Sections 41350, 49430.5, 49531, and 49536* of the Education Code, relating to school meals.

LEGISLATIVE COUNSEL'S DIGEST

SB 1674, as amended, Murray. Public schools: meal reimbursement.

Existing law requires the Superintendent of Public Instruction to make allowances for child nutrition to child nutrition entities, as defined, based on reimbursement rates for free and reduced-price meals and to school districts and county superintendents of schools for the differences between the current fiscal year average statewide cost for all free and reduced-price meals and the total income per meal, as specified.

Existing law permits any child nutrition entity to apply to the State Department of Education for all available federal and state funds so that a nutritionally adequate breakfast or lunch, or both, may be provided to pupils each schoolday at each school in the districts or maintained by the county superintendents of schools, or at private schools and parochial schools and to children receiving child development services. Existing law limits state reimbursement to meals provided to pupils who are within the relevant definitions and criteria in federal statutes and regulations that prescribe eligibility for free and reduced-price meals.

Existing law requires the department, prior to July 1 each year, to prescribe an adjustment in the established state meal contribution rates based on the specified cost-of-living adjustment.

Existing law requires that the per meal reimbursement rate received by elementary and middle schools for free and ~~reduced-price~~ *reduced-price* meals be increased to 23¢. Existing law also establishes a per meal reimbursement rate of 10¢ for meals sold at full price in elementary and middle schools. Existing law requires schools to follow specified state and federal guidelines in order to qualify for reimbursement. Existing law requires that the reimbursement rates be adjusted annually for cost of living increases, as specified. Existing law provides that these provisions are only operative if moneys were appropriated as specified.

~~This bill would delete the provision that makes the operation of the meal reimbursement rates contingent on the appropriation of moneys for these purposes on or before January 1, 2004. The bill also would make technical, nonsubstantive changes to the provisions of existing law.~~

This bill, instead of increasing reimbursement rates for all free and reduced-price meals and providing a reimbursement rate for all paid meals, would provide the increased reimbursement rate for free and reduced-price meals and a reimbursement rate for full price meals only for those school districts, including charter schools, and state agencies that provide direct elementary and secondary level instructional services that follow specified state and federal nutrition guidelines. The bill would specify that the adjustment to the reimbursement rate be completed by the department by July 1 of each year. The bill would make the increased reimbursement rates available immediately to qualifying school districts and state agencies by removing the provision that made the operation of the new meal reimbursement rates contingent on the appropriation of moneys for these purposes on or before January 1, 2004.

The bill also would make conforming and technical, nonsubstantive changes to the provisions of existing law.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 41350 of the Education Code is*
2 *amended to read:*

3 41350. The Superintendent of ~~Public Instruction~~ shall make
4 allowances for child nutrition as follows:

5 (a) Reimbursement of child nutrition entities, as defined by
6 Section 49530.5, *and other educational entities specified*
7 *pursuant to Section 49430.5* for all free ~~and reduced-price,~~
8 *reduced-price, and paid* meals, pursuant to ~~Section~~ Sections
9 *49430.5 and 49536.*

10 (b) Reimbursement of school districts *and county*
11 *superintendents of schools* for the difference between the current
12 fiscal year average statewide lunch or breakfast cost for all free
13 and reduced-price meals required by Section 49550 as
14 determined by the Superintendent of ~~Public Instruction~~ and the
15 combined total income per meal derived from pupil charges,
16 federal funds, and state funds as provided in Article 11
17 (commencing with Section 49550) of Chapter 9 of Part 27.

18 ~~(c) Reimbursement of county superintendents of schools for~~
19 ~~the difference between the current fiscal year average statewide~~
20 ~~lunch or breakfast cost for all free and reduced-price meals as~~
21 ~~determined by the Superintendent of Public Instruction and the~~
22 ~~combined total income per meal derived from pupil charges,~~
23 ~~federal funds, and state funds as provided in Article 11~~
24 ~~(commencing with Section 49550) of Chapter 9 of Part 27.~~

25 (c) The combined state and federal reimbursements shall not
26 exceed the current fiscal year average statewide lunch or
27 breakfast cost. If the combined pupil charges, state
28 reimbursements, and federal reimbursements exceed the current
29 average statewide lunch or breakfast costs, the federal funds shall
30 be expended prior to the expenditure of any state funds.

31 *SEC. 2. Section 49430.5 of the Education Code is amended to*
32 *read:*

33 49430.5. (a) ~~The reimbursement a school receives for free~~
34 ~~and reduced-price meals sold or served to pupils in elementary or~~
35 ~~middle schools shall be increased to twenty-three cents (\$0.23).~~

36 ~~(b) Each elementary and middle school shall receive a~~
37 ~~reimbursement of ten cents (\$0.10) for meals sold at full price.~~

38 ~~(c)~~

(a) To qualify for ~~the~~ increased reimbursement for free and reduced-price ~~reduced-price~~ meals above the rates set pursuant to Section 49536 and for the reimbursement for meals sold at full price, a school district, including a charter school, or state agency that provides direct elementary and secondary level instructional services shall follow the United States Department of Agriculture's Enhanced Food Based Meal Pattern, the United States Department of Agriculture's Nutrient Standard Meal Planning, California's SHAPE Menu Patterns, or the USDA Traditional Meal Pattern.

(b) Each school district or state agency that provides direct elementary and secondary level instructional services that satisfies subdivision (a) shall receive:

(1) Twenty-three cents (\$0.23) for each free or reduced-price meal sold or served to its pupils.

(2) Ten cents (\$0.10) for each full price meal sold to its pupils.

~~(d)~~

(c) The reimbursement rates set forth in ~~this section~~ subdivision (b) shall be adjusted ~~annually~~ prior to July 1 of each year by the department for increases in cost of living in the same manner set forth in Section 42238.1.

~~(e) This section shall become operative on January 1, 2004, only if moneys are appropriated on or before January 1, 2004, for the purposes of increased reimbursements pursuant to this article.~~

(d) A school district or state agency not satisfying subdivision (a) that is otherwise eligible for state meal reimbursement shall receive the reimbursement rates established pursuant to Section 49536.

(e) A school district or state agency that satisfies subdivision (a) may apply for the reimbursement provided by this section pursuant to Section 49531 and shall be allocated the funds for the reimbursement pursuant to Section 41350.

SEC. 3. Section 49531 of the Education Code is amended to read:

49531. (a) Any child nutrition entity or other educational entity specified pursuant to Section 49430.5 may apply to the State Department of Education for all available and applicable federal and state funds so that a nutritionally adequate breakfast or lunch, or both, may be provided to pupils each schoolday at each school in the districts or maintained by the county

1 superintendents of schools, or at private schools and parochial
2 schools and to children receiving child development services.
3 ~~The State Board of Education~~ *state board* shall adopt rules and
4 regulations for the operation of lunch and breakfast programs in
5 school districts. A child nutrition entity ~~which~~ *that* receives state
6 funds pursuant to this article, shall provide breakfasts and
7 lunches in accordance with state and federal guidelines.

8 (b) A nutritionally adequate breakfast, for the purposes of this
9 article, is one that qualifies for reimbursement under the federal
10 child nutrition program regulations, meets a minimum of
11 one-fourth of the current Recommended Dietary Allowance
12 established by the National Research Council, and incorporates
13 the current United States Dietary Guidelines for Americans. A
14 nutritionally adequate lunch is one that qualifies for
15 reimbursement under the federal child nutrition program
16 regulations, meets one-third of the Recommended Dietary
17 Allowance established by the National Research Council and
18 incorporates the current United States Dietary Guidelines for
19 Americans.

20 (c) State reimbursement for *free and reduced-price* meals
21 provided pursuant to this article *or Section 49430.5* shall be
22 limited to meals provided to pupils who are within the relevant
23 definitions and criteria in federal statutes and regulations ~~which~~
24 *that* prescribe eligibility for free and ~~reduced-price~~ *reduced-price*
25 meals. *State reimbursement for full price meals provided*
26 *pursuant to Section 49430.5 shall not be limited to those*
27 *eligibility guidelines.*

28 SEC. 4. *Section 49536 of the Education Code is amended to*
29 *read:*

30 49536. (a) The State Department of Education shall, prior to
31 July 1 of each year, prescribe an adjustment in the state meal
32 contribution rates established pursuant to this section for the
33 forthcoming fiscal year. The adjustments shall reflect the changes
34 in the cost of operating a school breakfast and lunch program and
35 shall be made commencing on July 1 of each year. ~~The~~
36 ~~adjustment shall be the average of the separate indices of the~~
37 ~~“Food Away From Home Index” for Los Angeles and San~~
38 ~~Francisco as prepared by the United States Bureau of Labor~~
39 ~~Statistics.~~

~~In giving effect to the cost-of-living provisions of this section, the Department of Education shall use the same month for computation of the percentage change in the cost of living after July 1, 1975. The same month shall be used annually thereafter. The product of any percentage increase or decrease in the average index and the per meal reimbursement disbursement rate shall be adjusted by the amount of any cost-of-living change currently in effect pursuant to the provisions of this section.~~

~~Commencing with the 1990-91 fiscal year, the~~

~~(b) The cost-of-living adjustment pursuant to subdivision (a) shall be equal to the percentage change determined pursuant to subdivision (b) of Section 42238.1.~~

~~(c) The reimbursement rates established pursuant to this section shall be the base reimbursement rates for free and reduced-price meals provided pursuant to this article. Increased reimbursement rates and reimbursement rates for full price meals shall be made available to qualifying schools pursuant to Section 49430.5.~~

~~SECTION 1. Section 49430.5 of the Education Code is amended to read:~~

~~49430.5. (a) The reimbursement a school receives for free and reduced price meals sold or served to pupils in elementary or middle schools shall be increased to twenty-three cents (\$0.23) per meal.~~

~~(b) Each elementary and middle school shall receive a reimbursement of ten cents (\$0.10) for each meal sold at full price.~~

~~(c) To qualify for the increased reimbursement for free and reduced price meals and for the reimbursement for meals sold at full price, a school shall follow the United States Department of Agriculture's Enhanced Food Based Meal Pattern, the United States Department of Agriculture's Nutrient Standard Meal Planning, California's SHAPE Menu Patterns, or the USDA Traditional Meal Pattern.~~

~~(d) The reimbursement rates set forth in this section shall be adjusted annually for increases in cost of living in the same manner set forth in Section 42238.1.~~